Statement

Insurance Association of Connecticut Labor and Public Employees Committee February 16, 2016

HB 5075, AN ACT CONCERNING WORKERS' COMPENSATION

I am Dallas Dodge, Counsel of the Insurance Association of Connecticut (IAC).

The IAC has concerns with HB 5075. HB 5075 would require the Connecticut Labor Department to conduct a study and evaluation of the effectiveness of Connecticut's existing workers' compensation system.

While a study and evaluation of this nature is not, in and of itself, problematic, we do have concerns and reservations regarding the potential effect of HB 5075. Namely, the IAC is concerned that fundamental and systematic changes to Connecticut's workers' compensation system could undermine the system as a whole.

As you know, in the early 1990's, the IAC, along with the general business community and a strong coalition of legislators within the Connecticut General Assembly, worked in unison to create reforms to Connecticut's then overburdened and troublesome workers' compensation system. Under the old system, workers' compensation costs were unbearably high, abuses were rampant and the system was inefficient at best. The reforms that were passed in the early 1990's created one of the most generous and fair workers' compensation systems in the entire country. In fact, Connecticut's workers' compensation system is often looked to as a national model of how to do it right.

The IAC would like to strongly caution you that fundamental changes to Connecticut's workers' compensation system could bring us back to the problems in workers' compensation we faced before the reforms.

Thank you for considering this testimony, and please feel free to reach out to me if you'd like to discuss our comments.